

OTOKAR REPORTS 2012 RESULTS

In this report we submit 2012 figures to compare with 2011 figures. 2012 & 2011 financial results published in this press release are prepared according to International Financial Reporting Standards.

Highlights of 2012

- Otokar generated TL 1.005 million total revenues in 2012. Otokar's 2012 domestic revenues were TL 744 million and export revenues were TL 260 million.
- Otokar generated TL 76 million net profit with a net margin of 8% in 2012.
- In the 2012, Otokar's production and sale units were 4040 and 4138 respectively.
- The planned dividend payment that was agreed at the General Assembly for the year 2011 was TL.48.0 million was paid on Mar 21, 2012.

Overview

OTOKAR IFRS P/L Statement Highlights	2012 TL (thousands)	2011 TL (thousands)	Change
Net Sales	1.004.492	890.525	13%
Cost of Sales	(782.464)	(694.821)	13%
Gross Profit	222.028	195.705	13%
Operating Expenses	(128.447)	(124.863)	3%
Operating Profit	93.582	70.842	32%
Income/(loss) before minorities & taxes	81.818	61.776	32%
Taxation	(5.433)	(6.930)	(18%)
Net Profit	76.385	54.847	39%
EBITDA	122.058	90.675	35%

Net Sales

The total sales revenue of Otokar in the 2012 is TL 1.005 million. Otokar increased its exports by 58% in 2012 and the rise stemmed from the rise by 65% in armoured tactical vehicles sales. In 2012, the share of the exports in total revenues is 26% and the figure Otokar produced in exports was about TL 260 million. The same figures were 18% and TL 164 million in 2011. Lastly, the domestic revenue of 2012 increased by 3% and reached to TL 744 million.

Considering the shares of segments in total revenue terms, the leader segment was the midibus and bus with a share of 40% with TL 404 million in revenue and it was followed by armoured tactical vehicles segment with a share of 30% with TL 303 million in revenue. Whereas the export sales leader was armoured tactical vehicles with TL 182 million in revenues, the leader of the domestic sales was midibus&bus segment with TL 337 million revenues. Armoured tactical vehicle exports constituted 70% of all export revenues by itself. In the domestic revenues the largest revenue derived from midibus&bus with a share of 45%. In 2012, the commercial vehicles constituted 48% of the total sales and 55% of domestic sales. Also 70% of the export revenues stemmed from the military vehicles.

	2012 TL (thousands)	2011 TL (thousands)	Change %
Domestic Sales	744.331	726.346	3%
Exports	260.161	164.179	58%
Total	1.004.492	890.525	13%

Profit

Gross profit was TL 222 million in 2012, with a gross margin of 22%. The same figures in 2011 were TL 196 million and 22% respectively. Operating profit was TL 94 million in 2012 with an operating margin of 9%. The same figures in 2011 were TL 71 million and 8% respectively. The company's EBITDA was TL 122 million in 2012, having an EBITDA margin of 12%. The same figures in 2011 were TL 91 million and 10% respectively. Otokar's net profit was TL 76 million in 2012, having a net margin of 8%. The same figures in 2011 were TL 55 million and 6% respectively.

The company has continued to pay dividends to its shareholders as in previous years. The dividend payment for the year 2011 was paid on 21.03.2012 as TL 48 million. Dividend payment percentages for the last three years were like the following: From the profit of 2009, 2010 and 2011 the dividends distributed in 2010, 2011 and 2012 were: 85%, 62.5% and 200% respectively.

Investments

The total investment expenditure of Otokar was realised about USD 16 Million in 2012 which was spent on new product investments of the R&D department and for the modernization processes of the current factory production units.

Objectives

Otokar realizes its growth with the products of which intellectual property rights are owned by Otokar. Again for the year 2012 Otokar aimed to grow with these products. Otokar determines its strategies as: To Grow in Defence Industry, To Enhance the Share of the Exports in Total Revenues and To Produce New Models the market needs. Despite the general opinion about 2012 is to be a stagnant or even worse year than 2011, especially with its already signed contracts Otokar successfully realized its aim to overwhelm the 2011 revenues in 2012. In order to reach these targets, Otokar attended 4 fairs in 2012. Also for the year 2013, Otokar has a backlog volume of USD 267 million as of 31.12.2012. Otokar will also attend to commercial and defence fairs will be arranged domestically and abroad in order to increase this backlog volume.

On the tank project side, things are going as planned. The first stage of the project was finished in 2011. The first stage was about the conceptual design of the Altay Main Battle Tank. In 2011, a model of Altay in exact size was exhibited in IDEF İstanbul 2011 Defense Fair. On Mar 29, 2012 Otokar established the first Tank Testing Center of Turkey in Arifiye Plant. The second stage is detailed design of Altay. Otokar produced and presented two prototype of the Altay Main Battle Tank in a meeting the Prime Minister of Turkey also attended in the end of 2012.

FINANCIALS

OTOKAR IFRS Summary Balance Sheet	2012 TL (thousands)	2011 TL (thousands)
Current Assets	680.169	531.554
Current Liabilities	533.456	543.010
Working Capital	146.713	(11.456)
Property, Plant & Equipment -Net	125.112	113.301
Total Assets	1.037.425	854.646
Total Liabilities	795.692	641.298
Shareholders Equity	241.733	213.348

OTOKAR IFRS Summary Balance Sheet	2012
Current Ratio	1.28
Liquidity Ratio	0.80
Current Assets / Total Assets	0.66
Current Liabilities / Total Liabilities	0.67
Total Liabilities / Total Liabilities & Shareholders' Equity	0.77

OTOKAR IFRS Summary Statement of Cash Flow	2012 TL (thousands)
Cash and Cash Equivalents at the Beginning of the Period	4.470
Net Cash Provided by Operating Activities	70.145
Net Cash Used in Investment Activities	(69.591)
Pre-Financing Cash Flow	554.865
Net Cash Used in Financing Activities and Effect of Exchange Rate Changes	42.881
Net Increase in Cash and Cash Equivalents	43.436
Cash and Cash Equivalents at the End of the Period	47.906

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